District's Housing Pipeline Report

Contributors:

Department of Housing and Community Development

Housing Finance Agency

District of Columbia Housing Authority

Publication Date:

Quarterly publication.   One month after the end of the fiscal quarter.

October 31, January 31, April 30, and July 31

Groupings:

The District's pipeline is divided into fiscal years. Projects are listed under the fiscal year during which the last agency closed on its financing. Therefore, although one agency closed on a project's financing, it might not appear in that year's column unless it was the last agency to close. For example, Knox Apartments is listed as an "FY 2002 Project" because DHCD did not close on the CDBG grant until December 2001, although HFA closed on tax-exempt bond financing and tax credits in October 2000.

The projects listed under "FY 2002 To Date Projects" were closed during the first quarter of FY 20002. Other projects may still close during FY 2002.

All projects lists under "Pipeline Projects" are still pending before a District agency.

"Fiscal Year" refers to the District's fiscal year, which runs from October 1 through September 30.

Definitions:

Project Name:	The most recent project name identified by the owner.
Address:	The street address used to identify the location of the project. This address might be different than the mailing address or the address used to contact the developer.
Ward:	The ward in which the project is located. The ward number should refer to the 2002 ward boundaries.
Owner/Developer:	The name of the development team or the primary developer.

Units:	The total number of units in a development. All of the units might not be receiving subsidies from all of the District agencies. If the project is listed in separate phases, then the total number of units in this phase.
New Units:	Of the total units developed, the number of *new* units to the District's inventory. A rehabilitated project is new to the District's inventory if it has been vacant for more than 36 months. For example, if some of the units in a project are being rehabilitated, then they are not new units to the District's inventory.
Rehab Units:	Of the total number of units being developed, the number of units being rehabilitated.
New Construction:	Of the total number of units being developed, the number of units being newly constructed. If old units were demolished and being rebuilt, then they are counted as newly constructed.
Homeownership:	Of the total number of units, how many will be owner-occupied.
Rental:	Of the total number of units, how many will be rented.
High Rise:	Of the total number of units, how many will be located in a building that is five or more stories above grade.
Garden Style:	Of the total number of units, how many will be located in a building that is fewer than four stories, but not a single family home.
Single Family:	Of the total number of units, how many will be located in single family, attached or detached houses.
Preliminary Commitment:	The date or expected date that the agency's will be making a preliminary commitment. If the project is applying for support from multiple agencies, then the published date will be the date or expected date that the last agency will act.
Construction Start:	The date or expected date that construction will begin.
Occupancy:	The date or expected date that residents will begin moving into units.
Affordability:	The number of units that is affordable to families earning the corresponding percentage of area median income. For example, 124 families earning less than 30% of AMI can rent an apartment at Savannah Ridge. The number represents the actual number of families who can afford to rent or own units in the development. It is *not* the maximum income that a family can earn and still be in compliance with the project's subsidies. Each type of subsidy has its own requirements. For example,

CDBG can be used to subsidize units for families who earn up to 80% of AMI, but HOME can only be used to subsidize units for families who earn up to 60% of AMI.

A family's annual income is represented as a percentage of the Washington, DC metropolitan area median income.   The District uses the annual incomes in the following table[1].

Family Income by Family Size					
Family Size	1	2	3	4	5
% of AMI					
100%	58,833	67,167	75,667	84,000[2]	90,667
80%	47,067	53,733	60,533	68,480	72,533
60%	35,300	40,300	45,400	51,360	54,440
50%	29,400	33,600	37,800	42,000	45,350
40%	23,533	26,867	30,267	33,600	36,267
30%	17,650	20,150	22,700	25,200	27,200

The amounts in the table are based on a modified version of the federal Department of Housing and Urban Development's area median income for 2001. HUD does not define the income level for each income bracket. Therefore, the amounts for 40% of AMI, 60% of AMI, 80% of AMI, and 100% of AMI are derived from HUD's published amount for 30% of AMI. The amount for each income level is calculated as follows:
- 30% of AMI is published by HUD
- 40% of AMI is calculated by multiplying .4 by 100% of AMI
- 50% of AMI is published by HUD
- 60% of AMI is calculated by multiplying .6 by 100% of AMI
- 80% of AMI is calculated by multiplying .8 by 100% of AMI[3]
- 100% of AMI is calculated by dividing .3 into HUD published income for a family who earns 30% of AMI

Calculating the amount of rent families with different incomes can pay for different sized units is a two-step process. First, the amount of monthly rent families can pay for an *affordable* unit is calculated by dividing the

---

[1] The Department of Housing and Community Development and the Housing Finance Agency use similar income calculations to determine eligibility for the Low Income Housing Tax Credit.

[2] This is different than HUD's published area median income for a family of four, which in 2001 was $85,600. HUD does not publish the area median income for each family size. Therefore, in order to remain consistent, the amounts are derived from HUD's published amount for 30% of AMI.

[3] HUD publishes an adjusted income for families earning 80% of AMI. However, the District of Columbia received a waiver from HUD so that it uses the actual 80% of AMI, rather the adjusted 80% of AMI.

annual incomes by 12 and multiplying them by 30%. HUD defines affordable housing as 30 percent of a family's pre-tax income.

Affordable Monthly Rents by Family Size					
Family Size	1	2	3	4	5
% of AMI					
100%	1,471	1,679	1,892	2,100	2,267
80%	1,177	1,050	1,181	1,313	1,418
60%	883	1,008	1,135	1,284	1,360
50%	735	840	945	1,050	1,134
40%	588	672	757	840	907
30%	441	504	568	630	680

Second, the maximum rent for each unit size and income level is calculated. The federal Internal Revenue Services establishes the average number of residents for each unit for the Low-Income Housing Tax Credit program: a single person can live in an efficiency, one and a half people can live in a one-bedroom, three people can live in a two-bedroom, and four and a half people can live in a three bedroom. The amount of rent for each unit size is calculated as follows:

- Efficiency equals the affordable monthly rent for a single person at each income level;
- One-bedroom equals the average affordable monthly rent for a single person and two person family at each income level;
- Two-bedroom equals the affordable monthly rent for a three person family at each income level; and,
- Three-bedroom equals the average affordable monthly rent for a four person and five person family at each income level.

Maximum Rent				
Number of Bedrooms	Efficiency	1	2	3
	1 person	1.5 people	3 people	4.5 people
% of AMI				
80%	1,177	1,260	1,513	1,763
60%	883	945	1,135	1,322
50%	735	788	945	1,092
40%	588	630	757	873
30%	441	473	568	655

Total Development Cost:	Hard costs, soft costs, and land costs. If agencies reported different total development costs, then the published figure is from the agency that most recently closed on its financing.

Funding Sources:	The amount of financing approved. If an application is currently pending, the anticipated award amount is located in the corresponding column and the anticipated closing date.

CDBG: Community Development Block Grant funded by HUD allocated to the District by formula.

HOME: HOME Investment Partnerships Program funded by HUD allocated to the District by formula.

HPTF: Housing Production Trust Fund

LAHDO: Land Acquisition for Housing Development Opportunities – District acquisition of land and long-term lease back to developers for housing development.

Capital: District capital dollars appropriated to DHCD

Appropriated: District dollars appropriated to DHCD through annual budget process

LIHTC/DHCD: the amount of allocated 9% tax credits distributed by DHCD

DHCD: the combined total amount of funding DHCD provided to a project

Closing Date: the date the financing closed or is expected to close. If a project has closings over several years, the closing date is the first closing.

DHCD Future Financing: financing pending before the agency that might be closed in the future.

Closing Date: the date DHCD may close on future additional financing.

Capital: District capital dollars that are dedicated to the project
Agency: the implementing agency's budget in which capital dollars
                are allocated
Closing Date: the date the financing either closed or will close

Tax Exempt Bond: financial instrument that an investor provides a
                mortgage and passes that money through the HFA to the
                borrower. By law, the District has a limited amount of tax-
                exempt bonds it can issue every year.
Tax-Exempt Bridge Bond: short-term bond usually paid off after
                construction completion at a project's place and service
                date.
Taxable Bond: Similar to a tax-exempt bond, but is taxable. The District
                does not have a limit on the amount of bonds it can issue.
LIHTC/DCHFA: the amount of proceeds from the 4% tax credits
                distributed by HFA.
HFA: combination of all of the above funds, except the tax credits
Closing Date: the date the HFA either closed or will close on the
                financing.

DCHA: federal funding (i.e. HOPE VI) and modernization money
Closing Date: the date DCHA either closed or will close on the financing.